



CONGRESSIONAL BUDGET OFFICE PAY-AS-YOU-GO ESTIMATE

November 3, 2000

H.R. 4788 **United States Grain Standards Reauthorization Act of 2000**

As cleared by the Congress on October 24, 2000

SUMMARY

H.R. 4788 would amend and reauthorize the United States Grain Standards Act, and amend the United States Warehouse Act. The legislation also would authorize funds for many discretionary programs. CBO estimates that enacting this legislation would increase net direct spending by about \$1 million in 2001.

ESTIMATED PAY-AS-YOU-GO COST

CBO's estimate of the impact of H.R. 4788 on direct spending is shown in the following table. The costs of this legislation fall within budget function 350 (agriculture).

	By Fiscal Year, in Millions of Dollars									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Changes in outlays	1	0	0	0	0	0	0	0	0	0
Changes in receipts	Not applicable									

BASIS OF ESTIMATE

H.R. 4788 would direct the Commodity Credit Corporation (CCC) to pay for all expenses associated with the referendum on the pork direct checkoff ordered by the Secretary of Agriculture on February 25, 2000. The Department of Agriculture estimates that expenses for the referendum were \$520,000. Without this provision, expenses of the referendum would be paid by the Pork Promotion Board (a nonfederal organization).

The act contains other provisions that would affect direct spending or receipts, but CBO estimates that these provisions would not have a significant net budgetary effect in any year.

Title I would amend and reauthorize the United States Grain Standards Act through 2005. The Federal Grain Inspection Service (FGIS), an agency of the Department of Agriculture, is required to officially weigh and inspect most grain exported from the United States. Upon request by private groups, FGIS also provides official inspection and weighing of U.S. grain in domestic commerce. FGIS is authorized to collect fees from grain exporters and private groups requesting such services. The agency is authorized to spend such fees without further appropriation to cover the cost of services performed. This legislation would extend that authority. CBO expects that the extension would result in no net change in direct spending.

Title III would renew the authority of the Secretary of Agriculture to reimburse states for costs associated with the removal of commodities that pose a health or safety hazard. The act would extend this authority through fiscal year 2003. Direct spending could increase under this authority, but CBO expects that any increased costs would be insignificant.

Title III could also affect direct spending by authorizing the Secretary to collect and spend fees for the mediation and arbitration of international disputes involving agricultural products in foreign commerce under the contract of multinational entities. CBO estimates that this provision would have a negligible net impact on direct spending in each year.

Finally, the act contains two provisions that would require the purchase and transfer of land. CBO estimates that neither of these provisions would result in any significant impact on direct spending.

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